

Introduction to IDEA Funding

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**FUNDING AVAILABLE UNDER THE
INDIVIDUALS WITH DISABILITIES EDUCATION ACT**

Local

- Tax base
- Covers the majority of expenditures

State

- Categorical Aids
- High Cost fund

Federal

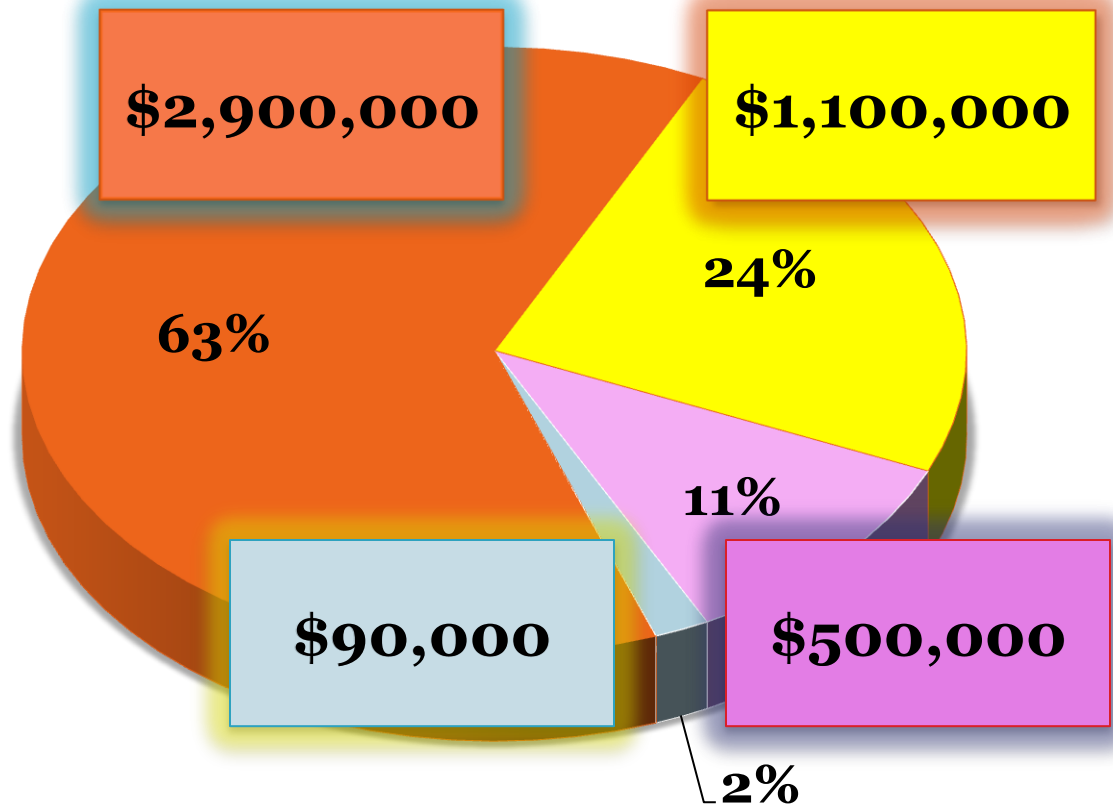
- IDEA Entitlement
- High Cost fund
- Medicaid

Funding source
break down for
an LEA with a
student population
of 3,000

For this LEA,
special education
costs for a fiscal
year totaled
\$4,600,000

Special Education Funds

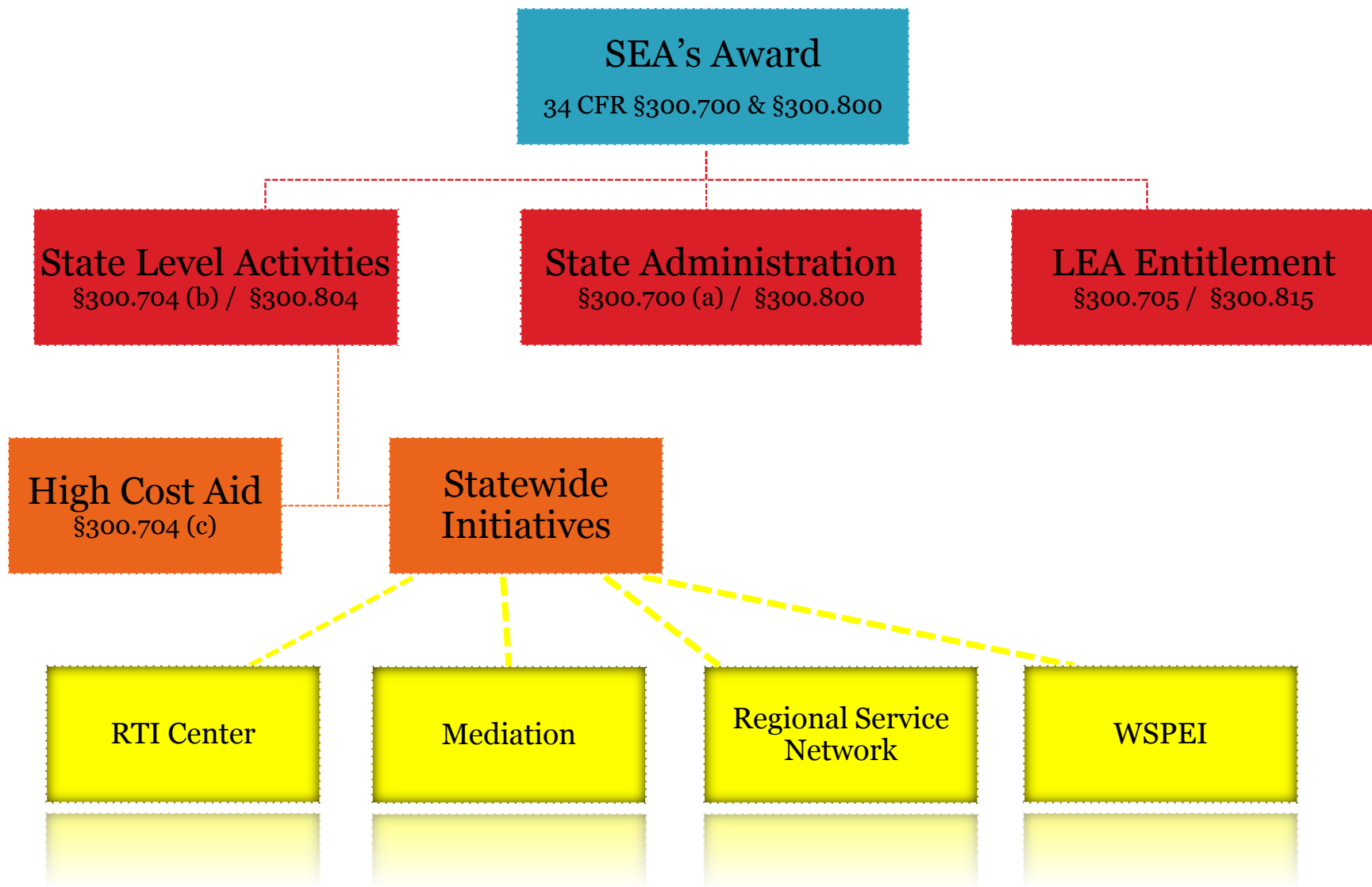
Local State IDEA Medicaid



Funding Source

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- US Department of Education grants IDEA Part B funds to State of Wisconsin – DPI
- DPI subgrants to approximately 440 agencies
 - Flow-through Entitlement (FT)
 - Preschool Entitlement (PS)
 - High Cost Aid
 - Discretionary



Entitlement funds under IDEA are awarded on a non-competitive basis for programs and services to students with disabilities

Preschool (PS)

Provides funds for special education services to children ages 3 to 5

Flow-through (FT)

Provides funds for special education services to children ages 3 to 21

Types of IDEA Entitlement Grants

In Wisconsin, the “LEA” with FAPE responsibility is the only subrecipient of the IDEA entitlement grants

Under Wisconsin statute, the following agencies are responsible for FAPE:

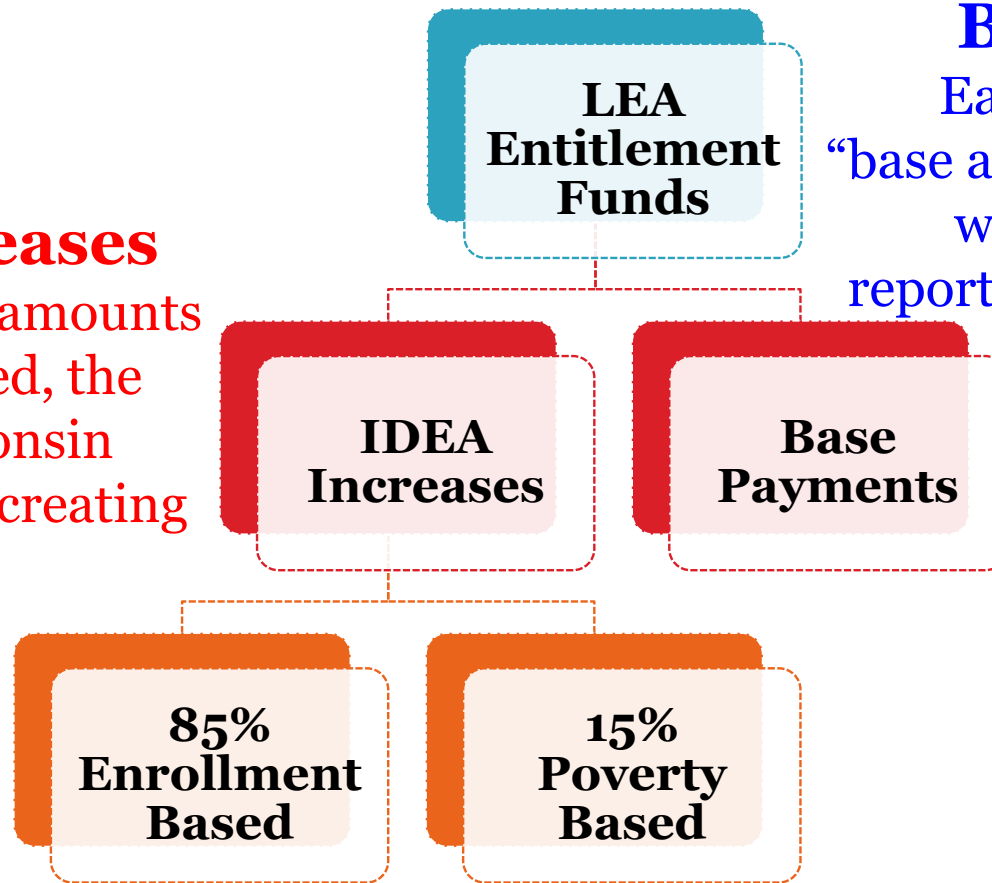
- School districts
- Independent charter schools (2r)
- Department of Corrections
- Department of Health Services

Other agencies, such as CESAs and CCDEBs, are not responsible for FAPE and are thus not eligible for IDEA entitlement

Eligibility for IDEA Entitlement

IDEA Increases

Since the base amounts were established, the award to Wisconsin has increased, creating “new funds”



Base Payments

Each LEA generates a “base amount” established with child count data reported in the late 1990s

85% Enrollment & 15% Poverty Count

IDEA funds not obligated for base payments are distributed based on an LEA’s total student enrollment and student poverty count numbers

**This is an
example of
an LEA's
allocation
calculation
for IDEA
flow-through
funds**

Base Pay
Amount

Based on
1999
Child
Count

66
Students

\$150,000

Total
Student
Enrollment

85% of
the new
funds

4,500
Students

\$310,000

Title I
Poverty
Count

15% of
the new
funds

1,000
Students

\$50,000

Total
FT
Allocation

Base +
New
Money

\$510,000

IDEA Grant's Availability

Each Award – Available 27 Months

**Forward Funding:
3 months**
(July 1 – Sept. 30)

**Award Period:
12 months**
(Oct. 1 – Sept. 30)

**Tydings Period:
12 months**
(Oct. 1 – Sept. 30)

IDEA's Carryover Rules

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- Each federal funding source has its own rules on:
 - Funding Availability
 - Carryover
- IDEA's Rules:
 - Funding is available for 27 months
 - Total amount of allocation is available for the 27 months
 - ✦ No limit on the amount that “carries over” into the next fiscal year

“Obligation Period”

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- Obligation: A transaction that requires payment.
- “Obligation Period”: The same as the 27 months of grant availability.
 - Allowed Grant Charge:
 - ✦ Transaction on August 15; Grant began on July 1
 - Not Allowed Grant Charge:
 - ✦ Transaction on June 25; Grant begins on July 1
 - ✦ Transaction on October 15; Grant ended on September 30

An LEA's Obligation Period

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Begins July 1

if...

***LEA submits IDEA application in
substantially approvable form by
July 1***

Application in Substantially Approvable Form

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- **IDEA Grant Assurances**
 - Submitted by July 1
 - Electronically signed by the District Administrator through the Special Education Web Portal
- **IDEA Budgets – Flow-through & Preschool**
 - Submitted by July 1
 - Submitted through the Special Education Web Portal

Standard is “Submitted” – not “Approved”

Documents Requiring Authorization

Document Type	Due Date	Document Description	Signed By	Signed Date	Action
Assurance	7/1/2013	2014 IDEA Entitlement Assurance			Sign

[Part 1](#) ✓

[Part 2](#) ✓

[Part 3](#)

[Part 4](#)


[Part 5](#)

Submit

There are still unapproved sections.

Each section needs to be “approved” prior to submission

A blank signed by means the assurances have not been submitted.


IDEA ASSURANCE ACT
LEA ASSURANCES AND CERTIFICATIONS
 PI-3201 Assurances (Rev. 06-13)
 Section 115.77(4)(L), Wis. Stats.; 34 CFR § 300.200

I. PROJECT IDENTIFICATION	
Name of Local Educational Agency	LEA Code
II. ASSURANCES	
Allowable Costs: Costs incurred will be allowable under the principles established in White House Office of Management and Budget Circular A-87 Cost Principles for State, Local, and Indian Tribal Governments . [2 CFR Part 225].	CEIS under 34 CFR § 300.226, annually the grantee will report to the WDPI the number of children who received academic or behavioral interventions funded with CEIS during the year the funds were expended. IDEA Part B funds will be used to supplement, and not supplant, funds

Document Type	Due Date	Document Description	Signed By	Signed Date	Action
Assurance	7/1/2013	2014 IDEA Entitlement Assurance	Carla Buboltz	7/1/2013	View

Once the assurances are submitted, the landing page will fill with the District Administrator’s name and submission date. The LEA’s budget can now be reviewed.

An LEA's Obligation Period

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AVAILABILITY OF FUNDS

July 1, 2014 – September 30, 2016

OBLIGATION PERIOD

August 1, 2014 – September 30, 2016

Cost A
July 15

**NOT
ALLOWED**

Cost B
August 15

ALLOWED

IDEA Allowable Costs

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- The federal regulation at §34 CFR 300.184 governs the expenditure of IDEA funds. Only the **excess costs** of providing special education and related services may be charged to the flow-through or preschool entitlement grants.
- Individualized student services must be IEP driven.
 - One-on-one aide
 - Specialized transportation
 - Nursing support

Guiding “Excess Cost” Questions

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1) In the absence of special education needs, would this cost exist?

If the answer is...

- No, then the cost may be eligible
- Yes, then the cost is not allowed

Guiding “Excess Cost” Questions

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2) Is this cost also generated by students without disabilities?

If the answer is...

- Yes, then the cost is not allowed
- No, then the cost may be eligible

Guiding “Excess Cost” Questions





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3) If it is a child specific service, is the service documented in the student’s IEP?

If the answer is...

- Yes, then the cost may be eligible
- No, then the cost is not allowed

Allowable Costs Document

Allowed	Not Allowed	Budget Item	Special Requirements or Additional Information
		ATTORNEY'S FEES-PARTY TO AN ACTION: Attorney fees for IDEA state complaints, due process hearings, representation at IEP team meetings, facilitated IEP team meetings, mediation sessions, or any student-specific consultation.	Fund may not be used to pay attorney's fees for a party or related costs for depositions, expert witnesses, settlements, or other related costs. Funds may be used to pay costs of conducting a due process hearing, e.g., paying a hearing officer and providing a place for the hearing.
		ATTORNEY'S FEES – DOCUMENT PROCESSING	
		ATTORNEY'S FEES - PROFESSIONAL DEVELOPMENT / POLICY DEVELOPMENT: Contracted staff training, in-service, or policy development and review.	
		AUDIT COSTS: Audits required by the Single Audit Act.	The costs of auditing the IDEA required by, and performed in accordance with, the Single Audit Act, as implemented by OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" are allowable. Other IDEA audit costs are not allowed as direct costs. They are included in the indirect cost rate. Only the costs for the IDEA portion of the Single Audit may be charged to IDEA. IDEA Single Audit costs are budgeted under Purchased Services - Single Audit (IDEA portion), which is coded 231700, object 310.

Examples of Allowable Costs

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- Special Education Staff (Directors and Assistant Directors, teachers, paraprofessionals)
- Related services (Physical Therapy, Occupational Therapy, Speech & Language)
- Assistive Technology equipment
- Professional Development
- Student transition services (work experience)
- Construction
- Non-Capital and Capital Equipment
- Software
- Specialized Curriculum

Non-allowable Costs

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- Costs that are generated by all students, not just students with disabilities
 - Core curriculum
 - District IT costs
- Services that a district would normally provide all students (a safe environment, heat, janitorial services, utilities, general education instruction) are thus not an “excess cost” and not allowed as IDEA budget expenditures.

“Allowed” Contracting Costs

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- LEAs may contract with a CESA, CCDEB, or another LEA for any special education services
- LEAs may contract with a private vendor for services provided directly to the student in:
 - Nursing, Occupational and Physical Therapy
 - Audiology Services and Educational Interpreters
 - Speech / Language
 - Orientation and Mobility Instruction
 - Transition Services for 18 to 21-year-olds.

Not So Common “Allowed” Costs

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- Paying parents for the costs of specialized transportation
- Early Childhood placements at private daycares (for the portion of time the student receives special education services)

Common “Unallowed” Costs

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- Flat-rate open enrollment tuition amount
- Medicaid Billing Costs (like MJ Care)
- Inappropriately licensed staff
- Prorating equipment
- Remodeling for ADA purposes only

Common “Unallowed” Costs

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- LEAs may **NOT** contract with a private vendor for services provided directly to the student in:
 - Psychological Services
 - Autism Services
- LEAs may **NOT** contract with a private vendor for the following positions:
 - Teachers
 - Paraprofessionals
 - Guidance Counselors
 - Social Workers

Not So Common “Unallowed” Costs

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- Costs for expulsion hearings
- Costs of legal fees for due process
- Costs for providing related services under a 504 plan (student does not have an IEP)

IDEA Time and Effort Reporting

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- Who must complete?
 - ✦ ALL employees funded with federal dollars
 - ✦ Not contractors or vendors
- Time and effort reporting is required when any part of an individual's salary is:
 - ✦ Charged to a federal program
- Ensures that salary costs in excess of work actually done are not claimed

Property Management – Non-Capital Equipment

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- Considered by the US Government Accountability Office (GAO) as “high-risk”
- Higher chance that small electronic devices such as PDAs, laptops, netbooks, iPods, etc., will “walk away”
- Not always part of an inventory system because they do not meet the \$5,000 threshold.

Property Management

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- Know what was purchased with IDEA funds
- Know where it is located
- Know how it is being used

Supplement / Not Supplant

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- Definition: Replacing previously locally funded costs with federal dollars.
- For special education, there is no supplement / not supplant provision with IDEA funds if an LEA is meeting maintenance of effort requirements

Equitable Services

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- If there are private schools in the LEA's jurisdiction, then the LEA must set-aside IDEA funds annually to spend on special education services for students with disabilities placed in private schools by their parents
- Based on location of private school, not student's residence (different than Title I's equitable services)

IDEA Maintenance of Effort

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- LEAs – IDEA requires that LEAs must budget and expend the same amount of local funding for special education as it expended in the previous fiscal year. (34 CFR §300.203)
- Failure to comply results in a payback of local funds equal to the amount of effort not maintained
 - ✦ LEA fails to maintain effort by \$10,000
 - ✦ LEA must pay back, in local funds, \$10,000

Application Process

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- Assurances (electronically signed by District Authorizer)
- IDEA flow-through web-based budget
- IDEA preschool web-based budget
- All completed through the IDEA Special Education Web Portal
- No narrative or program plan required for the use of IDEA funds for special education

Accounting for IDEA Expenditures

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- Fund: 27
- Project Code:
 - 341 – Flow-through
 - 347 – Preschool
- Revenue Source:
 - 730 - Federal Special Projects Aid Transited Through DPI
- CFDA:
 - 84.027 – Flow-through
 - 84.173 – Preschool

IDEA Claim Process – Web Based!

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- Formats data into the PI-1086 Program Fiscal Report
- Based on the last approved IDEA budget
- Claims are submitted separately for:
 - Flow-through Entitlement
 - Preschool Entitlement

Technical Assistance

- Allowable Costs:
http://sped.dpi.wi.gov/sped_grt-allowables
- Budget Software
http://sped.dpi.wi.gov/sped_grt-budget-software
- Claim Instructions http://sped.dpi.wi.gov/sped_idea-claims
- Allocation Module
<http://sped.dpi.wi.gov/files/sped/av/idea-allocations/player.html>